TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

March 24, 2010

TO:

Internal File

THRU:

FROM:

RE:

Priscilla Burton, Environmental Scientist III/Soils PWB W Phase III Bond Release A Phase III Bond Release Application, Plateau Mining Corporation, Star Point

Mine, C/007/006, Task ID #3493

SUMMARY:

On February 11, 2010, Plateau Mining Corp (PMC) requested permit area reduction of forty (40) acres and Phase III Bond Release post mining land use change application for eight (8) of those 40 acres. The land under review is described as the SE1/4 SE1/4 Sec. 9, T. 15 S., R. 8 E. Of those 40 acres, only 8 acres were disturbed. Those 8 acres were reclaimed in 2002. The 8 reclaimed acres were part of the 95.3 acres that received Phase II bond release in February 2009. The 8 acres will have an industrial post mining land use.

The information provided does not meet the requirements of the Utah Coal Rules for public notice, but the team lead has addressed this issue.

There are no soils issues related to this Phase III bond release and post mining land use change. Soils issues were addressed during the Phase I bond release evaluation (Task 1910, April 2004).

Phase III Bond release is recommended for 8 acres and a permit area reduction is recommended for 40 acres. An evaluation of AVS entity 147847 is recommended prior to Phase III bond release.

The Division is required to notify the municipality (Carbon County) by certified mail within 30 days of bond release (R645-301-880.500).

TECHNICAL ANALYSIS:

GENERAL CONTENTS

IDENTIFICATION OF INTERESTS

Regulatory Reference: 30 CFR 773.22; 30 CFR 778.13; R645-301-112

Analysis:

This application does not change ownership and control information for the mining permit. The ownership and control information for Plateau Mining Corporation was last updated in September 2009 (Task 3403).

Findings:

There is no change to the information on record.

VIOLATION INFORMATION

Regulatory Reference: 30 CFR 773.15(b); 30 CFR 773.23; 30 CFR 778.14; R645-300-132; R645-301-113

Analysis:

Plateau Mining Corporation, the Permittee, is entity 147847.

Findings:

An evaluation of AVS entity 147847 is recommended prior to Phase III bond release.

LEGAL DESCRIPTION AND STATUS OF UNSUITABILITY CLAIMS

Regulatory Reference: 30 CFR 778.16; 30 CFR 779.12(a); 30 CFR 779.24(a)(b)(c); R645-300-121.120; R645-301-112.800; R645-300-141; R645-301-115.

Analysis:

The application includes Exhibit 412.200a a memorandum filed with the County Recorder's office providing a legal description of the 40 acres of permit area subject to the ConocoPhillips option to purchase within one year from the recorded date of January 6, 2010.

Exhibit 880.100b describes a revised bond amount reflecting the transfer of 8 reclaimed acres within the permit area to ConocoPhillips. According to Exhibit 880.100b, the remaining permit area will be 87.3 acres.

Findings:

The information provided meets the requirements of legal description.

PUBLIC NOTICE AND COMMENT

Regulatory References: 30 CFR 778.21; 30 CFR 773.13; R645-300-120; R645-301-117.200.

Analysis:

A draft public notice was provided. The public notice describes Phase III bond release for a 40 acre parcel which is not consistent with the application's request for Phase III bond release of an 8 acre parcel. The notice should more accurately state the application is for a permit area reduction of a 40 acre parcel and a change in post mining land use and Phase III bond release for the 8 acre parcel. The team lead has addressed this issue.

R645-301-880.500 requires that the Division notify the municipality by certified mail within 30 days of bond release.

Findings:

The information provided does not meet the requirements of the Utah Coal Rules, but the team lead has addressed this issue.

The Division is required to notify the municipality by certified mail (Carbon County) within 30 days of bond release.

MAPS AND PLANS

Regulatory Reference: 30 CFR 777.14; R645-301-140.

Analysis:

The depiction of permit area was revised on five maps with this application: map 112.500a (surface ownership and permit boundary), Maps 542.200 a & c (as-built reclamation topography), and Maps 761a & c (watersheds).

Findings:

The information provided meets the requirements of the Utah Coal Rules.

ENVIRONMENTAL RESOURCE INFORMATION

Regulatory Reference: Pub. L 95-87 Sections 507(b), 508(a), and 516(b); 30 CFR 783., et. al.

PERMIT AREA

Regulatory Requirements: 30 CFR 783.12; R645-301-521.

Analysis:

A total of 95.3 acres received Phase II bond release in 2008. Maps 542.200 a, b, c illustrate the 93.77 acres that comprise the Lions Deck, Mine #1, Unit Train Loadout, associated roads, ponds and facilities and the reconstructed channel of Serviceberry Creek. An additional 1.10 acres is shown on Map 542.200g (Mudwater Canyon) and 0.44 acres is shown on Map 542.200h (Corner Canyon.) The reclaimed land belongs to either Plateau Mining Corp. or the State of Utah (Surface Ownership Map 112.500a).

Revised Maps 542.200 a & c, provided with this application, illustrate the excision from the permit area of 40 acres straddling County Rd. 290, just north of the existing ConocoPhillips road.

Findings:

The information provided meets the requirements of the Utah Coal Rules.

BACKFILLING AND GRADING

Regulatory Reference: 30 CFR Sec. 785.15, 817.102, 817.107; R645-301-234, -301-537, -301-552, -301-553, -302-230, -302-231, -302-232, -302-233.

Analysis:

General

Coal mine waste was used as fill in the Main Channel side slopes (MRP, Section 240, page 200-25 and As-Built Table 542.200a received in 2004) and covered with four feet of topsoil and subsoil. The burial location is shown on as-built Map 542.200c. The coal mine waste burial location is not within the 40 acres to be transferred to ConocoPhillips.

Findings:

The information provided meets the requirements of the Utah Coal Mining Rules.

RECOMMENDATIONS:

Utah Coal Mining Rule R645-301-880.510 requires that the period of operator responsibility (described in R645-301-357) must pass before Phase III bond is released. Under an industrial post mining land use, that period is less than two years (R645-301-356.240). Another reviewer has addressed the zoning and post mining land use issues.

Phase III Bond release is recommended for 8 acres and a permit area reduction is recommended for 40 acres. An evaluation of AVS entity 147847 is recommended prior to Phase III bond release.

The Division is required to notify the municipality (Carbon County) by certified mail within 30 days of bond release (R645-301-880.500).

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